

Anglin-Norcross Corporation Limited

and Subsidiary Companies

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR THE PERIOD ENDING DECEMBER 31st, 1941.

Your Directors submit herewith a Consolidated Balance Sheet showing the condition of the Company at the close of our fiscal period ending December 31st, 1941.

Adequate provision has been made for depreciation, contingencies and doubtful debts also estimated allowances for taxes.

During this past year construction to accommodate war industries reached unprecedented proportions and your Company was entrusted with a large volume of this work all over eastern Canada.

Co-operating in every way with our Government to fulfill rigid requirements, your organization exerted their best efforts and the resultant speed, economy and efficient workmanship in our operations proved satisfactory.

Although the volume of work carried out by us was the largest in many years naturally increased taxation and minimum profits have affected net earnings.

What 1942 has in store for business is, of course, problematical. However, a fairly substantial amount of uncompleted contracts have been carried forward by us into this year.

Our investments have shown a satisfactory return and although during 1941 we redeemed and cancelled 25,057 shares of your Company's Preferred Stock, our liquid position has been well maintained.

The Directors wish to express appreciation to the staff and employees for their loyal and efficient services during the arduous past year.

Respectfully submitted on behalf of the Directors,

HENRY J. GROSS,
PRESIDENT.

MONTREAL, APRIL 9TH, 1942.

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ANGLIN-NORCROSS CORPORATION LIMITED

Consolidated December 31, 1941

Assets

CURRENT ASSETS:

Cash on Hand and in Banks.....	\$ 354,908.71	
Bonds and Investments, At Cost.....	293,485.91	
(Market Value \$290,905.50)		
Accounts Receivable.....	1,006,744.25	
Mortgages Receivable.....	600.00	
TOTAL CURRENT ASSETS.....		\$1,655,738.87
Material and Perishable Tool Inventories, at the		
Lower of Cost or Market.....	\$ 31,429.99	
Less: Depreciation Reserve.....	21,993.23	
		9,436.76

FIXED ASSETS:

Machinery and Equipment, At Cost.....	\$ 372,139.39	
Office Building, Mile End Plant and		
Iberville Granite Cutting Works,		
At Cost.....	\$170,386.20	
Properties—Montreal and Toronto....	40,939.00	
		211,325.20
	\$ 583,464.59	
Less: Depreciation Reserve.....	318,699.35	
		264,765.24
		\$1,929,940.87

We have audited the Books and Accounts of ANGLIN-NORCROSS CORPORATION LIMITED, and its subsidiaries, Anglin-Norcross Quebec Limited, Anglin-Norcross Ontario Limited, National Granite Works Limited, Anglin-Norcross Maritime Limited and Rosslin Improvement Company Limited, for the year to December 31st, 1941.

We have verified the Securities and the Revenue therefrom. The usual Depreciation has been provided on Machinery and Equipment, except in the case of the National Granite Works Limited, where the Depreciation was written off on the additions only of Plant and Machinery.

In our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company. All our requirements as Auditors have been complied with.

WILSON, BIRNIE & SEYMOUR,
Chartered Accountants.

MONTREAL, JANUARY 30TH, 1942.

Approved— { HENRY J. GROSS
C. D. HARRINGTON } Directors.

LIMITED AND SUBSIDIARY COMPANIES

Balance Sheet

31st, 1941

Liabilities

CURRENT LIABILITIES:

Accounts and Bills Payable.....	\$740,007.69
Reserve for Income and Estimated Excess Profits Taxes	192,020.23
Dividend Payable.....	118.50

TOTAL CURRENT LIABILITIES..... \$ 932,146.42

Investment Reserve..... 37,303.34

CAPITAL STOCK:

Preferred, 5% Redeemable, Non Cumulative	
Authorized and Issued..... 65,600 Shares.....	\$656,000.00
Less: Redeemed..... 34,335 Shares.....	343,350.00
	<u>31,265 Shares.....</u>
	\$312,650.00

Common, No Par Value

Authorized..... 10,000 Shares.....	
Issued..... 6,560 Shares.....	32,800.00

345,450.00

CAPITAL SURPLUS..... 343,350.00

SURPLUS—EARNED..... 271,691.11

\$1,929,940.87

SURPLUS—EARNED

Profit on Completed Contracts after providing for all Operating Expenses and Depreciation of \$17,554.00 together with Income from Investments of \$24,586.98 for the Year to December 31st, 1941...	\$ 324,359.80
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DEDUCT:

Directors Fees.....	\$ 3,200.00
Executive Salaries.....	22,250.00
Legal Fees.....	400.00
Provision for Income and Excess Profits Taxes.....	188,402.85
	<u>214,252.85</u>

Net Profit for the Year to December 31st, 1941..... \$ 110,106.95

Surplus, December 31st, 1940..... \$222,384.68

Add: Reserve for Contingencies..... \$ 24,221.84

General Reserve..... 118,662.63

From Reserve for Depreciation of

Investments..... 46,885.01

189,769.48

\$412,154.16

DEDUCT: Transferred to Capital Surplus..... 250,570.00

161,584.16

SURPLUS, December 31st, 1941..... \$ 271,691.11

Anglin-Norcross Corporation Limited

BOARD OF DIRECTORS

J. P. ANGLIN	Montreal	C. D. HARRINGTON . . .	Montreal
G. W. BIRKS	Montreal	W. S. LESLIE	Montreal
H. J. GROSS	Montreal	G. A. LOWLES	Montreal
P. N. GROSS	Toronto	G. L. MAGANN	Toronto
(On Active Service)			

OFFICERS

<i>President</i>	HENRY J. GROSS
<i>Vice-President and Manager</i>	CONRAD D. HARRINGTON
<i>Secretary-Treasurer</i>	GEORGE A. LOWLES
<i>Assistant Secretary-Treasurer</i>	THOMAS A. GUNN

SUBSIDIARY COMPANIES

ANGLIN-NORCROSS QUEBEC LIMITED . . .	892 Sherbrooke St. W., Montreal
ANGLIN-NORCROSS ONTARIO LIMITED . . .	57 Bloor Street West, Toronto
ANGLIN-NORCROSS MARITIME LIMITED . . .	319 Roy Building, Halifax
NATIONAL GRANITE WORKS LIMITED	Iberville, Que.
ROSSLIN IMPROVEMENT COMPANY LIMITED .	892 Sherbrooke St. W., Montreal